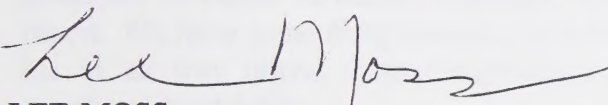


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COUNTY OF SACRAMENTO
Inter-Department Correspondence

Date: July 8, 1993
To: Department Heads
From: Lee Moss
Deputy County Executive
Subject: 1993 BUDGET ADVISORY COMMITTEE REPORT

Attached for your information is a copy of the 1993 Budget Advisory Committee report.


LEE MOSS
Deputy County Executive

LM:cj (w:\comm\bud_adv\cov.ltr)
Attachment

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STUDIES LIBRARY

APR 25 1995

UNIVERSITY OF CALIFORNIA

**COUNTY OF SACRAMENTO
CALIFORNIA**

Date: June 29, 1993

To: Board of Supervisors

From: Bob Smith
County Executive

Subject: 1993 BUDGET ADVISORY COMMITTEE REPORT

The 1993 budget Advisory Committee report is attached.

The members of the Budget Advisory Committee should be commended for dedication, hard work, and serious consideration of the budget process. The Committee is made up of uncompensated volunteers who devoted a significant amount of time out of very busy lives and schedules to attend numerous meetings, study volumes of material, and produce a thoughtful report. We have some disagreements with the Budget Advisory Committee's recommendations, but in no way intend these disagreements to diminish our appreciation for the committee members' hard work.

Following are a few comments regarding the Committee's report. We will report back to your Board and the Committee itself in detail at a later date.

Budget Process

We appreciate the endorsement the Budget Advisory Committee has given for the recent changes in the budget process. The Committee made a strong recommendation that the County use a "resource" budget model instead of a "current services" model in its 1992 report. This change has been implemented in the 1993-94 budget process.

Efficiencies: Collaboration and Consolidation

The Committee has endorsed the County's efforts towards service collaboration through the Human Services, Law and Justice, and Transportation Cabinets and has endorsed the consolidation of similar services provided by more than one agency within the County. The acknowledgement and endorsement of these efforts will assist in further efforts. We thank the Committee for its comments.

INSTITUTIONAL COUNCIL

DATE: 10/10/2010
TIME: 10:00 AM
PLACE: 1000
1000

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The purpose of this meeting is to discuss the progress of the project and to make decisions on the way forward. The meeting is open to all members of the project team and to any other staff who may be interested in the project. The meeting will be held in the main conference room on the 10th floor of the building. The meeting will start at 10:00 AM and will last for one hour. The meeting will be chaired by the project manager. The agenda for the meeting is as follows:

1. Welcome and introduction
2. Review of the project progress
3. Discussion of the project budget
4. Discussion of the project risks
5. Discussion of the project communication
6. Discussion of the project next steps

1000 1000

The project manager will lead the meeting and will ensure that the meeting is run efficiently and effectively. The project manager will also ensure that the meeting is well documented and that the minutes are circulated to all members of the project team. The project manager will also ensure that the meeting is well attended and that all members of the project team are able to contribute to the discussion. The project manager will also ensure that the meeting is well organized and that the agenda is followed. The project manager will also ensure that the meeting is well timed and that the meeting is held at the appropriate time and place. The project manager will also ensure that the meeting is well attended and that all members of the project team are able to contribute to the discussion. The project manager will also ensure that the meeting is well organized and that the agenda is followed. The project manager will also ensure that the meeting is well timed and that the meeting is held at the appropriate time and place.

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State and Local Government Relationship

The Committee recognizes that a significant part of the County's budget problems derive from an increasingly dysfunctional relationship between state and county government in California. We thank the Committee members for their strong statement regarding the property tax shift to schools and the tax shift's relationship to the overall budget problem. We agree that the County would be able to balance its budget with minimum impacts to current program levels were it not for the property tax shift to school and that there needs to be further efforts to restructure the relationship between the State and County. Some Committee members support the sales tax extension; some members object to the earmarking of the sales tax extension for public protection, inhibiting local priority setting. The Committee members do agree that the extension of the tax is not new tax proceeds to local government.

Personnel Costs and Actions

We must, however, take strong exception to the \$31 million cited in the report as possible personnel expenditure savings in the 1993-94 proposed budget.

- **Vacancies**

The estimated value of the general fund vacancies, after the budget reductions, is grossly overstated. Of the 346 general fund vacancies as of April 17, 172 positions were in heavily subvented programs such as Human Assistance and District Attorney - Bureau of Family Support. Another 132 positions were in Sheriff's operations, Probation, Health and Human Services, and Medical Systems. After the budget reductions in these heavily impacted areas, there will be few vacancies and those will be primarily in subvented areas or in hard to fill positions such as nurses in the jail. Of the remaining 42 vacancies, 18 positions will be either deleted as a result of the budget reductions, are filled with contract employees, are in subvented or fee generating areas, or are in mandated areas such as the Public Defender where outside contract costs are higher. This leaves 24 vacancies spread throughout county departments.

- **Mandatory Furloughs and Wage Freeze**

The County approached all employee organizations, including those with multi-year contracts, on mandatory furloughs and delay of agreed upon salary increases. For those with multi-year agreements, the County had very little leverage except to point out that not agreeing could result in layoffs. Employee organizations with multi-year agreements would not agree to mandatory furloughs or delay of agreed upon salary increases. The County could not unilaterally impose its will upon employee organizations with agreements in place. Voluntary furloughs can and still are being considered, but this is

ARTICLE

The American Medical Association is a national organization of physicians and surgeons. It is the largest and most influential of the medical organizations in the United States. The Association's primary purpose is to advance the interests of the medical profession and the public. It does this by promoting the highest standards of medical education, training, and practice. It also works to improve the delivery of medical care and to protect the public health. The Association's activities are carried out through its various departments and committees. These include the Council on Medical Education, the Council on Medical Practice, the Council on Medical Research, and the Council on Medical Legislation. The Association also publishes the Journal of the American Medical Association, which is one of the most important medical journals in the world.

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obviously under the control of the employees, not the County. The County is attempting to get mandatory furlough provisions for fiscal year 1994-95, when no multi-year agreements are in place. It must be pointed out, however, that a mandatory work furlough will result in service reductions. Anniversary raises (step increases) are also part of employee organization agreements. They also cannot be unilaterally abrogated.

The County did, however, hold the line on COLA increases for all employees not covered by multi-year agreements (about 54% of the labor force), and for the second time in the last three to four years, employee organizations are going without a COLA.

Compared to the State of California, the County has done much more to hold the line on wages. The State of California has a three-year agreement in place which calls for the following:

First year - twelve days of dock pay. In return the employees get credited with twelve days of additional leave time at the end of the year. Employees can be paid for these 12 days (with the 5% salary increase).

Second year - 5% salary increase.

Third year - 3% - 5% salary increase depending upon Consumers Price Index.

The strongest disagreement is with the notion that the County **should** break its contracts with employee organization even if the County could break these agreements. The County should not break contracts freely entered into with others. We expect employee unions to honor their agreements.

- Downsizing vs. Empowerment

We strongly disagree with the Committee's recommendations to institute a centrally administered hiring freeze and to eliminate vacancies and apply savings to direct services. First, for the reasons stated above, the estimated savings from vacancies has been grossly overstated. Further, most vacancies are in direct service areas. More importantly, these changes would strike at the heart of empowerment by punishing those departments who have not filled vacancies in an attempt to achieve savings and gain some flexibility in very uncertain times.

By moving to a resource budget this year, priority consideration was given in the allocation of available resources. That allocation gave the highest priority consideration to public protection. If further downsizing is required, priorities would be addressed again in the allocation of available resources, subject to relative levels of County discretion in program areas.

The American Medical Association is a non-profit corporation organized for the purpose of promoting the interests of the medical profession and the public. It is organized into a national association and numerous state and local associations. The national association is organized into a national association and numerous state and local associations. The national association is organized into a national association and numerous state and local associations.

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1993 BUDGET ADVISORY COMMITTEE REPORT

Page 4

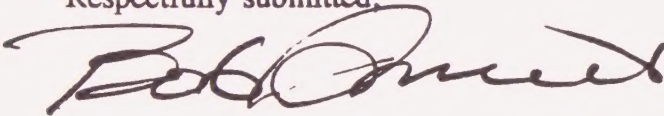
Other Areas

We are in agreement with the comments on fostering economic development and will be reporting to the Board on August 3, 1993, with short and long-term recommendations in this area. The permitting and regulatory processes must be streamlined and customer-service emphasized.

We also support the Committee's recommendations regarding streamlining the classification systems, reducing disability costs, and instituting Total Quality Management training. The Personnel Services Agency's "Personnel 2000" is designed to streamline classification and testing. The County is looking toward enhancing its rehabilitation program and the placement of disabled employees. County employees are being actively encouraged to take Total Quality Management training.

We have not had time to comment more fully on the Committee's report at this time. Again, we want to thank the Committee for its time and efforts.

Respectfully submitted,



BOB SMITH
County Executive

LM/RTF:cj (w:\comm\bud_adv\0629.bdm)
Attachment

cc: Budget Advisory Committee
County Executive Analysts

Chicago

It is a pleasure to have you in Chicago. I am sure you will find it a most interesting and profitable visit. The University of Chicago is proud to have you here.

The University of Chicago is a leading center of research and learning. We are pleased to have you here and hope you will find it a most interesting and profitable visit.

We are sure you will find it a most interesting and profitable visit. We are proud to have you here.

Very truly,
[Signature]

John D. Rockefeller

President of the University of Chicago

Chicago, Illinois

**SACRAMENTO COUNTY
BUDGET ADVISORY COMMITTEE**

**REPORT TO
THE COUNTY EXECUTIVE**

June 29, 1993

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

ACKNOWLEDGEMENTS

Staff to this committee, Lee Moss (Deputy County Executive) and Russ Fehr (Principle Administrative Analyst) have been very helpful. They have provided information and assistance essential to interpret budgetary documentation and process, and they maintained administrative support for communicating meeting schedules, and researching various questions and concerns proposed by committee members. Thank you, Lee and Russ, for all your good work.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

FORWARD

This is the second year of the Budget Advisory Committee. Please refer to Attachment A for the list of committee members for 1993.

Last year the committee was charged with evaluation of the budget process to provide community input on program reduction options in order to balance a deficit of \$30 million.

This year we are confronted with another deficit, the size of which depends upon the outcome of the state budget. At Mr. Smith's invitation, this committee was convened to accomplish the following:

- 1) Provide practical advice with regard to priority setting and downsizing;
- 2) Provide general advice as appropriate;
- 3) Offer opinions on some of the long term proposals, such as charter amendments regarding personnel;
- 4) Understand how state funding affects the county operation and share that understanding with the community;
- 5) Offer support where possible and share the proposed budget and direction with the community;
- 6) Offer opinions on county taxing authority, given the state shifts of revenues away from counties.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

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SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

INTRODUCTION

Fiscal Outlook:

The starting point for the Budget Advisory Committee (BAC) this year was an assessment of revenues available to run county operations compared to last year. According to the information made available by the County Executive's Office, total funds projected for 1993-94 are \$1.165 billion or \$13.5 million less than in 1992-93. General fund comparisons between the two budget years show slightly larger differences: in 1993-94 available general fund revenues will be \$333 million or \$23.52 million less than last year. The county is being asked to manage with approximately 1 percent less revenues than last year. In the General Fund, 7 percent less general purpose revenue financing is available.

Property Tax Shift:

The recently adopted state budget worsens and adds uncertainty to the General Fund general purpose financing. The property tax shift to schools appears to be \$78 million, \$48 million more than the \$30 million estimate. The half cent sales tax extension may come close to offsetting the additional property tax transfer, depending on the amount of sales tax to be allocated to cities. However, the sales tax extension is only certain for 6 months. If the voters do not approve the sales tax extension measure on the November ballot, then the county will have an approximately \$25 million financing shortfall for the remainder of the fiscal year, and a \$50 million shortfall on a full year basis.

As a citizens' group, we are outraged by the decision of the governor and Legislature to shift the county's property tax to schools, in order to meet state funding

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

obligations. Absent the shift of \$15.6 million last year, and this additional shift of some \$30 plus million in 1993-94, the county would be able to balance its budget with minimum impact to programs this year, and without tax increases. **We urge the county to resist the state property tax shift by whatever legal means available.**

The 1993-94 Budget Process:

Last year the Budget Advisory Committee (BAC) urged the county to adopt a revenue-driven rather than expense driven budget process. This year the county budget reflects this recommendation; department heads prepared budgets within allocated revenues. This resource-budgeting model relies on an approach whereby department heads are freed from line item budget reviews and encouraged to achieve efficiencies in order to retain savings for the next year. We encourage the County Executive in his efforts to empower departments to function in new ways, and find that the \$17.3 million in roll over savings achieved in just one year justifies this approach.

The fiscal picture in Sacramento County is more upbeat than in many other California counties, in part because of county actions to pare down spending in financial areas. For example, the county has captured some additional revenue through creative financing, such as the moving to the "Teeter" Plan, refinancing the jail, and maximizing interest yield in certain accounts. The county also negotiated some relief for county patients treated at UC Medical Center. Beyond that, the county has realized spending reductions by agreeing to enter into debt financing for certain future purchases (phones, automobiles, etc.), thereby easing this budget, but at the expense of future budgets.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

Increased Efficiencies: Collaboration & Consolidation:

Over the last two years, increased collaboration between departments resulted from the "cabinet structure" introduced by the County Executive. The Law and Justice cabinet, for example, increased the communication between the Sheriff, DA, Probation, Courts and Health and Human Services. Additional cabinets with interdisciplinary representation include Economic Development and Health and Human Services. This interdepartmental structure is an innovative approach encouraging the management of resources more efficiently and effectively.

The county should also be commended for additional efforts to consolidate similar services provided by more than one agency throughout the county. Some examples include, libraries, flood control planning, transportation, solid waste management and water distribution.

Further, the BAC applauds the county's demonstrated ability to draw upon multiple resources to deliver critical services, as evidenced in the Oak Park Medical Clinic with Sutter and Mercy hospitals, and the community-based demonstrations at New Helvetia/River Oaks, and Howe Avenue school.

In all these ways, the county has demonstrated significant strides towards coping with the deficit.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

Managing the Budget Crisis:

The committee recognizes that the county's current situation is made more difficult by the budget constraints from last year. Further, it is understood that options for coping with downsizing pressures are limited as a significant portion of the county budget is mandated by state and federal programs. Our community considers law enforcement its top priority in budget allocation, and this creates pressure to focus on cutting Mental Health, Public Health, Parks, Libraries and other General Fund services. Since 70% of the discretionary budget is allocated to law enforcement and the administration of justice, efficiencies in these visible and high priority areas will be required as well if we are to manage within the available revenues this year and in the years to follow.

The proposed budget reflects serious attempts to preserve direct services, with public protection receiving the highest priority. From a taxpayers' standpoint, however, other important service levels have been significantly reduced (i.e. mental health, medical systems, libraries, parks) while there remain opportunities to contain personnel costs. This does not mean that during times of fiscal crisis, citizens should not expect reduced service levels. Rather, expectations are that every opportunity to cut costs should be achieved prior to cutting programs.

Based upon review of information supplied by the County Executive's Office, the BAC finds that the county has missed several opportunities to control spending amounting to approximately \$31 million of personnel expenditure savings in the 1993-94 proposed budget:

THE HISTORY OF THE UNITED STATES

The history of the United States is a story of growth and change. From the first settlers to the present day, the nation has evolved through various stages of development. The early years were marked by exploration and settlement, followed by a period of rapid expansion and industrialization. The American Revolution and the Civil War were pivotal moments in the nation's history, shaping its identity and values. The 20th century saw the United States emerge as a global superpower, with significant contributions to science, technology, and culture. The challenges of the 21st century, including globalization, climate change, and social inequality, continue to shape the nation's future.

The United States has a rich and diverse heritage, with many different cultures and traditions. The melting pot of the United States has created a unique American identity. The nation's history is filled with stories of courage, sacrifice, and achievement. The American Dream, the belief that anyone can achieve success through hard work and determination, is a central theme in the nation's history. The United States has played a leading role in the world, from the founding of the nation to the present day. The challenges of the future will require the continued strength and resilience of the American people.

The history of the United States is a story of hope and possibility. The nation's future is bright, and the American people are the ones who will shape it. The United States is a land of opportunity, and the American Dream is still within reach. The challenges of the future will be met with the courage and determination of the American people. The history of the United States is a story of progress and achievement, and the future is full of promise.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

● Vacancies (estimate 200 positions)	\$10.6 Million
● Mandatory Furloughs (12 days annual)	\$ 9.6 Million
● Wage Freeze	\$11.0 Million
POTENTIAL SAVINGS	<u>\$31.2 Million</u>

As indicated above, as of April 17, 1993 vacancy levels had amounted to approximately \$10 million, which was handled as department savings to be rolled over from 1992-93 into 1993-94. County wide mandatory furloughs amounting to \$9.6 million for 12 days in the fiscal year 1993-94 were not successfully negotiated with labor unions. And the county has taken the position that all bargaining units currently under contract will not be seriously approached for wage freezes which approximated \$11 million. Further, it is worth noting that this \$31 million of personnel expenditures does not include potential savings resulting from layoffs.

Although the bargaining units under contract were not seriously approached for wage freezes, there still remains an opportunity for the County Executive to consider redirecting budgeted funds for vacancies to restore some funding to community-based organizations providing direct services. It is generally recognized that many services are more efficiently provided through these organizations.

Downsizing vs. Empowerment:

As was discussed above, the county has empowered department managers in the budgeting process which appears to be working well as evidenced by savings rolled over to the 1993-94 budget. In response to declining revenues, however, downsizing (i.e., eliminating vacancies, containing the cost doing business, and as a last resort - layoffs) must also be rigorously employed.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

BUDGET ADVISORY COMMITTEE RECOMMENDATIONS

1. Recruit Business Assistance to Establish Performance Measures and Standards.

- Best Practices Study. A committee of volunteers from the business community could be created by the County Executive to study, in other communities, specific "best practices" that have resulted in more efficient government;
- Internal Measurement. Another committee of business volunteers could be created by the board (comprised of industrial engineers, accountants, human resource organization design types) to study work and delivery practices and desired outcomes. From these studies could be derived measures of success and effectiveness for the particular agencies;
- Human Resource Accounting. The County Executive, perhaps again aided by a volunteer committee, should design, develop and implement a consistent, uniform and understandable method for tracking and accounting for its human resources and the status thereof on any given day. A loose human resource accounting system encourages gamesmanship and "shell" games. A tight, well defined, clearly executed system enables management (and also including in this case, the taxpayer) to stay on top of how much money is spent on this very significant budget item.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

2. Eliminate Vacancies and Apply Savings to Direct Services.

According to a vacancy accounting dated April 17, 1993, the total number of positions in the budget was 9972.4 with 616.7 vacancies. The proposed budget reflects a net reduction of 191.8 positions, and the status of vacancies remaining at the start of 1993-94 is unknown. Last April, there were 346.2 vacancies in General Fund departments.

- Discounting the subsidized positions, the vacancy rate in April 1993 amounted to conservatively \$10.6 million (for 200 positions @ average salary of \$53,000);
- Recognizing that some of these vacant positions may need to be filled, we recommend that the county establish a process for budget augmentations throughout the 1993-94 fiscal year, with positions to be funded from an amount reserved from these savings upon approval by the County Executive;
- Savings from the remaining vacancies should be redirected to direct service delivery alternatives, such as Community Based Organizations (CBOs).

3. Institute a Hiring Freeze.

Contrary to the current practice under empowerment, a genuine hiring freeze should be instituted. A genuine hiring freeze means that a policy of not hiring additional personnel is enforced by the County Executive. The county has announced a "hiring freeze" over the last two years and yet there have indeed been new hires.

4. Freeze All Wage Increases.

The county is committed, through Memorandum of Understandings (MOU's), to increased employee costs of \$11 million. These increases represent salary increases for employees covered by labor contracts and step increases for the work force at large. (These latter are referred to as merit increases potentially available to any employee not already at

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

the top of the salary range. Some employees eligible for step increases are also in line for negotiated salary increases).

The county has not during this recession, held the line on wages, compared to either state government or private employers in the Sacramento area. For many county employees, wage increases in 1991 averaged 4.5%, compared to 5% (18 month) rollback for state workers, and in 1992, a portion of the county work force received a 4.5% salary increase while state workers received no increase. During this period, private sector wages grew 0.7% according to the Sacramento Valley Employers' Council.

5. Achieve \$9.6 Million Savings through Furloughs.

For non-24 hour care units (i.e., safety and certain public health positions should be exempt) voluntary furloughs are implemented at the discretion of each department head. Increased use of voluntary furloughs to manage within declining revenue base should be encouraged county-wide to achieve the 12-day, \$9.6 million potential savings.

If this savings cannot be achieved through voluntary measures, then the county should implement a mandatory, county-wide furlough through any legal means possible.

6. Streamline Classification and Testing.

The county has over 700 classes for some 10,000 positions. Some jurisdictions with such a profusion of classes have realized savings by adopting broader classifications; the savings accrue because of reduced testing and class development costs.

7. Focus on Preventive Strategies.

The county should focus on prevention and early strategies that strengthen the quality of life for children and families. For example, we recommend a further look into the issue of the juvenile hearing process that allocates approximately 60-70% of available funds to legal proceedings.

Instead of treating these hearings as legal matters, BAC urges the county to consider family preservation actions that can be more appropriately handled by human services personnel as demonstrated in an innovative

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

experiment in one county in Florida. In effect, Sacramento County would provide earlier intervention through mediation efforts at a substantially reduced cost to the county. We point to the success of the existing county supported Family Preservation Program. Family preservation strategies have offered high-risk families intensive services to care for children in their own home. Without this program, these children would end up in foster care. This strategy has preserved families and will save the county money, both in the short run and in the long term. It has saved this county an estimated \$6 million in foster care costs thus far.

8. Manage Disability Costs.

San Mateo County has a risk management program that places injured workers in alternative positions. Sacramento County should consider such action. The county may also wish to consider innovative practices developed in the City of Los Angeles, where the incidence of disability retirements has plummeted as a result of linking salary increases to incidents of disability retirement. (If workers go out on disability, there is less money available for active wages. In this way employees have an incentive to keep down the number of disability retirements. The LA city's disability rate for safety employees is less than 20% of all retirements, compared to a PERS frequency rate of almost 50%.)

9. Create More Flexibility in Service Delivery.

The county needs the option of providing services via the county work force or by private vendors. For example, we continue to think that taxpayers would be well served if departments had the option to purchase computer services from S&DP or the local computer store. That authority is apparently not now available.

The county should have more flexibility to contract out if cost savings and improved service can be achieved.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

10. Investigate the Feasibility of Restructuring the Functional Relationship Between the State and County.

Clear distinctions between functions and funding is the objective of such restructuring. State Legislative Analyst, Liz Hill, has published a worthy proposal in this regard.

11. Fostering Economic Development. (Impact on the Economy)

The time it takes to complete transactions throughout the county government impacts commerce because lengthy and inefficient processes cost more to run (i.e., greater amounts of overhead) and investments leading towards economic recovery are discouraged when time and money are wasted in bureaucratic processes.

- The Permitting/Regulatory process can dramatically impact economic development by taking years to process non-controversial transactions. Specific actions should be adopted to streamline permitting requirements so that fair, predictable and objective results are achieved in a timely fashion;
- We encourage a "customer-service" attitude from all county employees to insure a user-friendly environment for the citizenry. Further, services for local businesses should not be made a secondary priority to serving non-local businesses. Currently the county appears to have a practice of giving preferential treatment to those from out-of-town;
- A Total Quality Management (TQM) program should be standard in every county department to assure efficiency and effectiveness with regard to delivery of services.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

NEW REVENUES (TAXING AUTHORITY)

In the context of downsizing and achieving fiscal efficiencies, the BAC does not believe that new sources of tax revenue** are warranted at this time. The issue of taxing authority diverts attention from the downsizing that is necessary during this economic crisis. Moreover, there is concern that successful efforts to raise taxes locally will only encourage the state to intervene again and divert still more property taxes away from local government. It is a bad trend. The following criteria are offered with regard to raising revenue during an economic crisis:

- Secure funding sources from the state for specific functions that the county will provide (ref. recommendation 10, page 11);
- Achieve downsizing and efficiency objectives described herein;
- Only then consider proposal to raise new taxes.

(**The half cent sales tax is not considered by the committee as a new source of tax revenue.)

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

EXTENSION OF HALF CENT SALES TAX

As of June 25, 1993 we are waiting for several committee member boards to report back on opinions for extending the half cent sales tax.

Some committee members are in support of extending the half cent sales tax. The county has been obligated to certain levels of spending by the recent actions of the Legislature extending the half cent sales tax through the rest of this calendar year, so it their position that it would be difficult to produce a good 1993-94 budget without counting on this extension.

Other committee members are also concerned that the public protection mandate associated with these funds denies local government officials the ability to establish priorities for their jurisdictions, as appropriate to meet the needs of their communities.

SACRAMENTO COUNTY BUDGET ADVISORY COMMITTEE

Report, June 29, 1993

BUDGET COMMITTEE: FUTURE ROLE

The BAC is worthwhile and we appreciate the opportunity to review the budget process and outcomes. Regretfully, we did not have enough time to cover all the subjects at hand. If the County Executive wishes to obtain more public input on long-term budgetary items such as proposed charter amendments, various consolidations, and revenue issues in addition to commentary on the budget, we make the following recommendations:

- 1) Schedule more time in the year for the BAC to focus on long-term issues separate from the budget process;
- 2) Standardize the presentation of budget data according to agreed-upon criteria, so as to make committee meetings more productive;
- 3) Establish a specific orientation period with county staff in the beginning of the review process;
- 4) Authorize the committee to meet with operations officials (department representatives) about 60 - 70% of the time and return to county executive staff with questions and requests for more information as needed.

TO: BOB SMITH, SACRAMENTO COUNTY EXECUTIVE

DATE: JUNE 29, 1993

The County Budget Advisory Committee Report has been prepared, reviewed and/or approved by the following committee members:

Organization	Name	Date
<u>Cal-Tax</u>	<u>Rebecca K. Taylor</u>	<u>6/29/93</u>
<u>League of Women Veterans</u>	<u>Carol Bass</u>	<u>6/29/93</u>
<u>Heritage</u>	<u>Tommy Carver</u>	<u>6/29/93</u>
<u>Children's Commission</u>	<u>Dan E. Luke</u>	<u>6/29/93</u>
<u>Common Cause.</u>	<u>Bob Chase</u>	<u>6/29/93</u>
<u>Support w/ some Reservations.</u>		
<u>Academy of Arts & Letters</u>	<u>Ray Brewer</u>	<u>6-29-93</u>
<u>League of Women Veterans</u>	<u>Carol Bass</u>	<u>6/29/93</u>
<u>Covent of Soc. Sr. org.</u>	<u>Frank McPeak</u>	<u>6/29/93</u>

Council of Sacramento Senior Organizations

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Sacramento, 95821

Felicia Elkinson 338-2016
6404 Thomas Drive
North Highlands, 95660

Hispanic Chamber of Commerce

Samuel Perez 568-1168
Hispanic Chamber of Commerce
1540 Riverpark Dr., Suite 113
Sacramento, 95815

Labor

Bill Meehan 927-9772
Building Construction Trades 924-8675(FAX)
2840 El Centro Road, Suite 111

League of Women Voters

Joanna Jullien
Sacramento Tree Foundation 924-8733
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Alternate:

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1622 McClaren Drive
Carmichael, 95608

Metropolitan Chamber of Commerce

Roy Brewer 441-4420

Staff Contact:

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917 7th Street
Sacramento, 95814

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ext. 123

ATTACHMENT A

Sacramento County Budget Advisory Committee

1993-94 Roster

Aerojet

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Rancho Cordova, 95741	

Building Industry Association

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Staff Contact:

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Children's Commission

Dr. David Raske	967-1382
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Common Cause

Bob Chase	454-2353
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Staff Contact:

Ruth Holton	443-1792
Common Cause	
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Sacramento, 95814	

APPENDIX A

RESEARCH AND ANALYSIS OF THE

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Pacific Bell

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Urban League

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Sacramento Urban League	
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County Executive's Office

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Russell Fehr	440-5895
Principal Administrative Analyst	



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